

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

HMM CO., LTD.,

Plaintiff,

v.

SAMSUNG ELECTRONICS  
AMERICA, INC.,

Defendant.

Case No. 8:24-cv-01454-FLA (ADSx)

**ORDER GRANTING DEFENDANT'S  
MOTION TO STAY [DKT. 19]**

**RULING**

Before the court is Defendant Samsung Electronics America, Inc.'s (Defendant or "SEA") Motion to Stay (the "Motion"). Dkt. 19.<sup>1</sup> Plaintiff HMM Co., LTD. (Plaintiff or "HMM") opposes the Motion. Dkt. 25. On August 27, 2024, the court found this matter appropriate for resolution without oral argument and vacated the hearing set for August 30, 2024. Dkt. 27; *see* Fed. R. Civ. P. 78(b); Local Rule 7-15.  
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<sup>1</sup> The court cites documents by the page numbers added by the court's CM/ECF system, rather than any page numbers that appear within the documents natively.

1 For the reasons stated herein, the court GRANTS the Motion to Stay and  
2 STAYS the subject action pending the resolution of SEA’s action against HMM  
3 before the Federal Maritime Commission (“FMC”), Proceeding No. 24-23 (the “FMC  
4 Action”). Defendant is ORDERED to file a status report on April 25, 2025, and every  
5 60 days thereafter describing any developments in the FMC Action pertinent to the  
6 stay.

### 7 **BACKGROUND**

8 On May 30, 2024, SEA filed suit against HMM before the FMC, alleging  
9 HMM’s invoicing practices and charges were unlawful and unreasonable, in violation  
10 of the Shipping Act of 1984, 46 U.S.C. § 40101, *et seq.* (the “Shipping Act”). Dkt. 19  
11 at 8. On July 1, 2024, HMM filed a complaint against SEA in the subject action,  
12 asserting two causes of action for: (1) breach of maritime contract; and (2) goods and  
13 services rendered. Dkt. 1. On July 30, 2024, SEA filed the Motion, requesting the  
14 court stay the action pending the completion of the FMC Action. Dkt. 19. On August  
15 9, 2024, HMM filed its opposition to the Motion. Dkt. 25. On August 16, 2024, SEA  
16 filed its reply in support of the Motion. Dkt. 26.

### 17 **LEGAL STANDARD**

18 “[T]he power to stay proceedings is incidental to the power inherent in every  
19 court to control the disposition of the causes on its docket with economy of time and  
20 effort for itself, for counsel, and for litigants.” *Landis v. North Am. Co.*, 299 U.S. 248,  
21 254 (1936). District courts possess “broad discretion” in deciding whether to grant a  
22 stay. *Clinton v. Jones*, 520 U.S. 681, 706 (1997).

### 23 **DISCUSSION**

24 The doctrine of primary jurisdiction relates to which tribunal, judicial or  
25 administrative, should first act. *Casey v. FTC*, 578 F.2d 793, 798 n. 8 (9th Cir. 1978).  
26 “When there is a basis for judicial action, independent of agency proceedings, courts  
27 may route the threshold decision as to certain issues to the agency charged with  
28 primary responsibility for governmental supervision or control of the particular

1 industry or activity involved.” *Port of Bos. Marine Terminal Ass’n v.*  
2 *Rederiaktiebolaget Transatlantic*, 400 U.S. 62, 68 (1970); *United States v. Gen.*  
3 *Dynamics Corp.*, 828 F.2d 1356, 1362 (9th Cir. 1987). The doctrine serves as a  
4 prudential mechanism to promote harmony and avoid undue conflict when judicial  
5 and agency concerns overlap. *See Clark v. Time Warner Cable*, 523 F.3d 1110, 1114  
6 (9th Cir. 2008). It is reserved for a “limited set of circumstances,” and “to be used  
7 only if a claim requires resolution of an issue of first impression, or of a particularly  
8 complicated issue that Congress has committed to a regulatory agency.” *Id.* (internal  
9 quotation marks omitted).

10 SEA argues a stay is necessary because the FMC retains primary jurisdiction  
11 given that the case concerns the Shipping Act. Accordingly, it argues a stay would  
12 lead to judicial economy since the resolution of the FMC Action would simplify the  
13 issues before this court. *Id.* at 16–18. HMM counters that the doctrine of primary  
14 jurisdiction does not apply here, and that granting a stay would not lead to judicial  
15 economy because the two cases are fundamentally different. Dkt. 25 at 18, 23.

16 It is undisputed the FMC is charged with administering the Shipping Act.  
17 *Takazato v. Federal Maritime Comm’n*, 633 F.2d 1276, 1278 (9th Cir. 1980). After  
18 reviewing the parties’ briefs and relevant portions of the dockets of both actions, the  
19 court finds the FMC Action and the current case share many common questions of  
20 fact and law, so a decision in the FMC Action should simplify the issues in this case.  
21 *Compare* Dkt. 1 *with* Dkt. 19-1 at 6–28. Therefore, given the interests of judicial  
22 economy, the court finds it appropriate to stay the case pending the outcome of the  
23 FMC Action.<sup>2</sup> *See Flexport Int’l LLC v. Giti Tire (USA) Ltd.*, Case No. 5:24-cv-

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25 <sup>2</sup> HMM argues that “a stay under the primary jurisdiction doctrine would be contrary  
26 to the Supreme Court’s ruling in *Loper* [*Bright Enterprises v. Raimondo*, 603 U.S. 369  
27 (2024)].” The court disagrees. Although *Loper Bright* ended the deference courts  
28 owed to an agency’s interpretation of an ambiguous statute, *see* 603 U.S. at 413,

00722-JGB (SPx), Dkt. 21 (C.D. Cal. June 26, 2024) (staying case pending decision by the FMC).

**CONCLUSION**

The court, having considered the Motion and finding good cause therefor, hereby GRANTS the Motion and ORDERS the following:

1. All further proceedings in this action are STAYED pending resolution of the FMC Action.
2. Defendant is ORDERED to file a status report on April 25, 2025, and every 60 days thereafter, describing any developments in the FMC Action pertinent to the stay, including, but not limited to, the status of the matter, the estimated time remaining until the resolution of the matter, and any upcoming dates and deadlines relevant to the matter.

IT IS SO ORDERED.

Dated: February 11, 2025



FERNANDO L. AENLLE-ROCHA  
United States District Judge

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judicial efficiency is the prominent concern when deciding whether to invoke primary jurisdiction. *Astiana v. Hain Celestial Grp.*, 783 F.3d 753, 760 (9th Cir. 2015) (finding that judicial efficiency “is the ‘deciding factor’ in whether to invoke primary jurisdiction.”) (quoting *Rhoades v. Avon Prods., Inc.*, 504 F.3d 1151, 1165 (9th Cir. 2007)).